

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
GAINESVILLE DIVISION

IN RE:

SIGNATURE PACK, LLC,

Debtor.

SIGNATURE PACK, LLC,

Movant,

v.

EASTERN POULTRY DISTRIBUTORS, INC.
DBA EASTERN QUALITY FOODS

Respondent.

CHAPTER 11

CASE NO. 19-20916-JRS

CONTESTED MATTER

**NOTICE OF REQUIREMENT OF RESPONSE TO DEBTOR'S OBJECTION TO
ADMINISTRATIVE EXPENSE CLAIM FILED BY EASTERN POULTRY DISTRIBUTORS, INC.
DBA EASTERN QUALITY FOODS OF DEADLINE FOR FILING RESPONSE; AND OF
HEARING**

PLEASE TAKE NOTICE that on September 25, 2020, Signature Pack, LLC ("Debtor"), Debtor in the above-captioned case, filed its *Objection to Administrative Expense Claim Asserted by Eastern Poultry Distributors, Inc. dba Eastern Quality Foods* ("Respondent") (the "Objection"), wherein Debtor objects to Respondent's claim as not being entitled to administrative expense priority.

Pursuant to General Order No. 24-2018, the Court may consider this matter without further notice or a hearing if no party in interest files a response or objection within 30 days. **If you object to the relief requested in this pleading, you must timely file your objection with the Bankruptcy Clerk** at United States Bankruptcy Court, 121 Spring St. SE, Room 120, Gainesville, Georgia 30501 and serve a copy on the movant's attorney, Jones & Walden LLC, Attn: Leslie M. Pineyro, 699 Piedmont Avenue, NE, Atlanta, Georgia 30308, and any other appropriate persons by the objection deadline. The response or objection must explain your position and be actually received by the Bankruptcy Clerk within the required time.

A hearing on the pleading has been scheduled for **November 5, 2020 at 10:30 a.m., Courtroom 103, U.S. Courthouse, 121 Spring St. SE, Room 120, Gainesville, Georgia 30501.** Given the current public health crisis, hearings may be telephonic only. Please check the ["Important Information Regarding Court Operations During COVID-19 Outbreak"](http://www.ganb.uscourts.gov/) tab at the top of the GANB Website (<http://www.ganb.uscourts.gov/>) prior to the hearing for instructions on whether to appear in person or by phone. If an objection or response is timely filed and served, the hearing will proceed as scheduled. **If you do not file a response or objection within the time permitted, the Court may grant the relief requested without further notice or hearing** provided that an order approving the relief requested is entered at least one business day prior to the scheduled hearing. If no objection is timely filed, but no order is entered granting the relief

requested at least one business day prior to the hearing, the hearing will be held at the time and place as scheduled.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

This 25th day of September, 2020.

JONES & WALDEN LLC

/s/ Leslie M. Pineyro

Leslie M. Pineyro
Georgia Bar No. 969800
699 Piedmont Avenue, NE
Atlanta, Georgia 30308
(404) 564-9300
Attorneys for Debtor

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CONTESTED MATTER

**OBJECTION TO ADMINISTRATIVE EXPENSE CLAIM ASSERTED BY EASTERN POULTRY
DISTRIBUTORS, INC. DBA EASTERN QUALITY FOODS**

COMES NOW Signature Pack, LLC (“Debtor”), by and through the undersigned counsel, and hereby files this “Objection to Administrative Expense Claim Asserted by Eastern Poultry Distributors, Inc. dba Eastern Quality Foods” (“Objection”). In support of the Objection, Debtor shows the Court as follows:

Jurisdiction

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1134. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. This Matter is core proceeding pursuant to 28. U.S.C. § 157(b).
2. The statutory and legal predicates for relief sought herein are §§ 105 of 503 of title 11 of the United States Code (the “Bankruptcy Code”) and the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

Background

3. On May 9, 2019 (the “Petition Date”), Debtor filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§101 et seq. (“Bankruptcy Code”), in the United States Bankruptcy Court for the Northern District of Georgia, Gainesville Division (“Court”).

4. Debtor is a Georgia limited liability company. On the Petition Date, Debtor operated a food processing and packing business with its principal place of business located at 5786 Highway 129 North, Pendergrass, Georgia 30567 (the “Business”).

5. Debtor continues to manage its affairs as a debtor-in-possession in accordance with Sections 1107 and 1108 of the Bankruptcy Code.

6. On January 31, 2020, Debtor closed on a sale of substantially all of Debtor’s assets (the “Asset Sale”). Debtor has liquidated other assets pursuant to the Court’s prior “Sale Order” (Doc. No. 171). The proceeds of the Asset Sale and other estate cash proceeds are currently held in the IOLTA of Debtor’s counsel, Jones & Walden LLC (the “Firm”).

7. On April 9, 2020, the Court entered the “Bar Order Establishing Deadline for Filing Requests for Payment of Administrative Expense Claims, Including Claims Pursuant to 11 U.S.C. § 503(b)” (Doc. No. 212), establishing May 20, 2020 as the (“Administrative Claims Bar Date”).

8. On May 19, 2020, Eastern Poultry Distributors, Inc. dba Eastern Quality Foods (“Respondent”) filed a Request for Allowance and Payment of Administrative Expense Claim Pursuant to 11 U.S.C. § 503 (Doc. No. 250) (the “Administrative Claim”) asserting an administrative expense claim in the amount of \$21,600.00.

9. Debtor is owed \$6,870.97 (the “Debtor’s Receivable”) by Respondent for repack services provided to Respondent and asserts the right to setoff Debtor’s Receivable against the Administrative Claim therefore reducing Respondents’ Administrative Claim to \$14,729.03.

Relief Requested

10. Debtor requests the Court reduce Respondent's Administrative Claim by the amount of \$6,870.97 resulting in an Allowed Administrative Claim of \$14,729.03.

11. 11 U.S.C. § 558 preserves defense available to Debtors. Georgia recognizes a statutory right of setoff. O.C.G.A. §13-7-1. Setoff may be asserted in the context of a claim objection to reduce the asserted claim. *In re Bay Circle Props., LLC*, No. 2020 Bankr. LEXIS 733 (Bankr. N.D. Ga. March 21, 2020).

12. Respondent is indebted to Debtor in the amount of \$6,870.97.

13. Accordingly, Respondent's Administrative Claim should be reduced by the Debtor's Receivable (\$6,870.97).

WHEREFORE, Debtor respectfully request the entry of an Order:

- (a) Reducing the Administrative Claim by \$6,870.97;
- (b) Allowing the Administrative Claim in the amount of \$14,729.03; and
- (c) Granting such other and further relief as may be just and proper.

Respectfully submitted this 25th day of September, 2020.

JONES & WALDEN LLC

/s/ Leslie M. Pineyro

Leslie M. Pineyro
Georgia Bar No. 969800
699 Piedmont Avenue, NE
Atlanta, Georgia 30308
(404) 564-9300
Attorney for Debtor

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CERTIFICATE OF SERVICE

This is to certify that I have on this day electronically filed the foregoing Objection using the Bankruptcy Court's Electronic Case Filing program, which sends a notice of and an accompanying link to the Objection to the following parties who have appeared in this case under the Bankruptcy Court's Electronic Case Filing Program:

- **Griffin B. Bell** gbb@gb3pc.com, dts@gb3pc.com;admin@gb3pc.com
- **Frederic S. Beloin** fbeloin@beloinlaw.com, jkuhar@beloinlaw.com
- **Sam G. Bratton** sbratton@dsda.com, kstratton@dsda.com;dbkirk@dsda.com
- **David A. Garland** dgarland@mcdcr-law.com, dgarland@mcdcr-law.com;hjohnson@mcdcr-law.com
- **Lee B. Hart** lee.hart@nelsonmullins.com, ayo.uboh@nelsonmullins.com
- **Sean C. Kulka** sean.kulka@agg.com
- **Leah Fiorenza McNeill** Leah.Fiorenza@bclplaw.com, debbie.hopkins@bclplaw.com
- **Office of the United States Trustee** ustpreion21.at.ecf@usdoj.gov
- **Stephan A. Ray** sray@mcdcr-law.com, hjohnson@mcdcr-law.com
- **Michael D. Robl** michael@roblgroup.com
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- **Thomas R. Walker** thomas.walker@fisherbroyles.com
- **David S. Weidenbaum** david.s.weidenbaum@usdoj.gov
- **David A. Wender** david.wender@alston.com

I further certify that I served a true and correct copy of the Objection on all parties referenced below via United States First Class Mail, postage prepaid.

Eastern Poultry Distributors, Inc.
dba Eastern Quality Foods
Grant M. Conway
236 Ponte Vedra Park Drive, Suite 101
Ponte Vedra Beach, FL 32082

This 25th day of September, 2020.

JONES & WALDEN LLC

/s/ Leslie M. Pineyro

Leslie M. Pineyro, Georgia Bar No. 969800

Attorney for Debtor

699 Piedmont Avenue, NE, Atlanta, Georgia 30308
(404) 564-9300